

CHAPTER 5-000 ELECTRONIC BENEFITS TRANSFER (EBT) CARD ISSUANCE AND ACCOUNTABILITY

5-001 Card Issuance Requirements: After the worker determines eligibility, the Issuance and Collection Center (ICC) is responsible for the timely and accurate issuance of an Electronic Benefits Transfer (EBT) card. The Issuance and Collection Center must establish and maintain an issuance and accountability system which will ensure that:

1. Only certified households receive EBT cards; and
2. EBT cards are accepted, stored and protected after delivery to receiving points within the project area.

{Effective 1/3/2005}

5-001.01 Time Standards for Benefit Availability

5-001.01A Initial Certification: No later than 30 calendar days after a household or its representative files an application:

1. A household's eligibility must be determined; and
2. An eligible household must be given an opportunity to participate.

The 30-day time limit includes allowing a household time to receive its EBT card.

{Effective 6/9/2003}

5-001.01B Recertification: The recertification process is based on the household completing the application process in a timely manner.

5-001.01C Supplemental Benefits: Households that report the addition of a household member or a decrease in total gross income of \$50 or more are entitled to an increase in food stamp benefits the month following the month of report when the information is verified timely. When the additional benefits cannot be included in the regular issuance for the following month the household must be provided supplemental food stamp benefits by the tenth day of the month following the month when the change was reported

{Effective 1/3/2005}

5-001.02 EBT Card Issuance to Authorized Representatives: The worker may encourage each applicant household to name an authorized representative to have access to EBT benefits. The household may designate an emergency authorized representative at any time.

5-001.03 Liabilities: The ICC must take every action to ensure the security of EBT cards.
{Effective 6/9/2003}

5-001.03A Accountable Documents and Security: The Department is liable for EBT cards obtained through the use of documents which are lost, stolen, or embezzled from the ICC. The following minimum security and control procedures must be provided for these documents:

1. Secure storage;
2. Access limited to authorized personnel;
3. Inventory control records;
4. Follow up control records maintained through the point of issuance; and
5. Periodic review and validation of inventory controls and records by parties not otherwise involved in maintaining control records.

{Effective 6/9/2003}

5-002 Staff Responsibilities:

5-002.01 Issuance and Collection Center (ICC) Responsibilities: The [ICC](#) is responsible for issuing the EBT cards. The mail delivery type will be first class for all mailed cards. Alternate delivery types may be used at the discretion of ICC staff.

The ICC staff are responsible for daily reconciliation of the EBT cards. In addition, the ICC staff are responsible for ensuring that all issuance requirements are met and maintained.

{Effective 6/9/2003}

5-002.02 Worker Responsibilities: The worker must:

1. Provide timely expedited service, if applicable; and
2. Return any EBT cards received at the local office to the ICC.

{Effective 6/9/2003}

5-003 Replacements:

5-003.01 EBT Card Replacements: The ICC must issue a replacement EBT card when the automated system has been notified by the EBT contractor that a household has reported a card lost, stolen or damaged and has requested a new card. EBT cards will be replaced within five days following the request of replacement by the household.

{Effective 6/9/2003}

5-003.01A Procedures for EBT Card Replacement Fees: Effective January 1, 2003, a card replacement fee will be debited from a household's EBT account when a fourth or subsequent replacement card is issued during the current calendar year. If the household's account balance is less than the card replacement fee when the replacement card is issued, the card will be replaced free of charge.

5-003.02 EBT Benefit Replacement: A household must report a lost or stolen card immediately. When reported, an immediate hold must be placed on the account and no further benefits can be accessed with that card. At the time of report, the household can request a replacement card. No benefits will be replaced.

{Effective 6/9/2003}

5-003.03 Food Destroyed in a Disaster: In cases when food purchased with EBT benefits is destroyed in a disaster affecting a participating household, that household may be eligible for the replacement of the actual value of loss, not to exceed the household's one month food stamp allotment. The loss must be reported within ten days of the occurrence and the household's disaster must be verified. The local office must verify the disaster through a collateral contact, a community organization, such as the fire department, the Red Cross or a home visit.

This policy applies in cases of an individual household disaster, such as fire, as well as natural disasters affecting more than one household. In cases where the Food and Nutrition Service has issued a disaster declaration and the household is otherwise eligible for disaster food stamp benefits, the household must not receive both the disaster allotment and replacement benefits for the same month under this provision. There is no limit on the number of replacements for food purchased with food stamp benefits which were destroyed in a household misfortune.

{Effective 6/9/2003}

5-004 EBT Account Aging: Account aging occurs when a food stamp household has not used the benefits in their EBT account.

{Effective 6/9/2003}

5-004.01 Inactive EBT Account: An inactive account is an account that has not had a debit transaction in the past 60 days. The food stamp household will continue to have access to all food stamp benefits remaining in their EBT account until the benefits are expunged from the account.

{Effective 6/9/2003}

5-004.02 Dormant EBT Account: A dormant account is an account that has not had a debit transaction in the past 90 days. The household will continue to have access to all food stamp benefits remaining in their EBT account.

{Effective 6/9/2003}

5-004.02A Dormant EBT Account Benefits: Dormant account benefits can be applied to any outstanding Accounts Receivable an adult household member may have following appropriate notice.

5-004.03 Expunged EBT Account: An expunged account is an account that has not had a debit transaction in the past 365 days. The ICC can apply any expunged benefits to any outstanding Accounts Receivable the food stamp household may have.

{Effective 6/9/2003}

5-005 EBT Benefit Adjustments: If a system error occurs when the household is using its EBT card at the grocery store, the household's EBT card will be corrected through an adjustment process. These adjustments may occur after the benefit availability date and may result in either a debit or credit to the household.

{Effective 6/9/2003}

5-005.01 Client-Initiated Adjustments: Food Stamp households have 90 calendar days from the date of the error to initiate a correction request (claim). Client-initiated credit adjustments must be adjudicated and processed within 15 calendar days from the date the household reports the error. This timeframe also applies if the state agency or entity other than the household discovers a system error that requires a credit adjustment to the household.

{Effective 6/9/2003}

5-005.02 Retailer-Initiated Adjustments: Retailers have nine calendar days from the original date of a system error to identify the error. Retailers must submit the correction request to the issuer and request that an adjustment be processed against the cardholder's account.

1. The state must act upon all debit adjustments initiated by a retailer no later than 15 calendar days from the date the error occurred.
2. A notice must be sent to the household upon receipt of the notification and data pertaining to the requested adjustment from the EBT Claim Tracking System through the EBT contractor. The household's notice must provide specific detailed information about the error transaction and must advise the household of the right to a fair hearing.
3. No hold will be placed on the account balance for the amount of the adjustment.
4. If the household disputes the requested adjustment and requests a fair hearing within the 15 calendar day timeframe, no further action would be taken to adjust (debit) the household's account until the fair hearing decision is rendered.
 - a. If the fair hearing decision is rendered in the household's favor, no further action is needed.
 - b. If the decision is rendered in favor of the State Agency, collection activity must begin immediately against the current account balance. The contractor will reopen the claim and will attempt daily to make the adjustment. No debit adjustment will occur unless the account has sufficient balance to complete the total amount of the adjustment by the end of the next calendar month. Nebraska will not settle partial adjustments.
5. If the household does not request a fair hearing within 15 calendar days, the system will automatically begin the collection process upon expiration of that time period. If the account does not contain sufficient funds to cover the entire debit adjustment amount, the system will attempt daily to make the adjustment until the end of the next calendar month. No debit adjustment will occur unless the account contains sufficient balance for the total amount of the adjustment. Nebraska will not settle partial adjustments.

{Effective 6/9/2003}